

REFERENCE TITLE: **insurance contract; policy contents**

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HB 2449

Introduced by
Representative Konopnicki

AN ACT

AMENDING SECTIONS 20-1103 AND 20-1113, ARIZONA REVISED STATUTES; RELATING TO INSURANCE CONTRACTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 20-1103, Arizona Revised Statutes, is amended to
3 read:
4 20-1103. Definition of premium
5 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES, "premium" ~~is~~
6 MEANS the consideration for insurance, by whatever name called. PREMIUM DOES
7 NOT INCLUDE A SEPARATE CHARGE FOR AN INSTALLMENT PAYMENT OPTION.
8 Sec. 2. Section 20-1113, Arizona Revised Statutes, is amended to read:
9 20-1113. Contents of policy; installment fee disclosure
10 A. The written instrument in which a contract of insurance is set
11 forth is the policy.
12 B. Every policy shall specify:
13 1. The names of the parties to the contract.
14 2. The insurer's name.
15 3. The subject of the insurance.
16 4. The risks insured against.
17 5. The time when the insurance thereunder takes effect and the period
18 during which the insurance is to continue.
19 6. The premium.
20 7. The conditions pertaining to the insurance.
21 C. If under the policy the exact amount of premium is determinable
22 only at stated intervals or termination of the contract, a statement of the
23 basis and rates ~~upon~~ ON which the premium is to be determined and paid shall
24 be included.
25 D. ~~The provisions of~~ Subsections A, B and C ~~shall~~ DO not apply to
26 surety contracts,— or to group insurance policies.
27 E. A policy may contain additional provisions not inconsistent with
28 this title and ~~which~~ THAT are:
29 1. Required to be inserted by the laws of the insurer's domicile.
30 2. Necessary, on account of the manner in which the insurer is
31 constituted or operated, in order to state the rights and obligations of the
32 parties to the contract.
33 3. Desired by the insurer and neither prohibited by law nor in
34 conflict with any provisions required to be included there.
35 F. ANY INSTALLMENT FEE SHALL BE DISCLOSED IN A MANNER THAT INFORMS THE
36 POLICYHOLDER OF THE DOLLAR AMOUNT OF THE INSTALLMENT FEE ON A PER INSTALLMENT
37 BASIS AND SHALL BE DISCLOSED SEPARATELY FROM THE DISCLOSURE OF THE PREMIUM.
38 THE DISCLOSURE MAY BE ON THE POLICY OR IN A SEPARATE WRITTEN OR ELECTRONIC
39 COMMUNICATION.